

STATE OF CALIFORNIA  
ENVIRONMENTAL PROTECTION AGENCY  
DEPARTMENT OF TOXIC SUBSTANCES CONTROL

In the Matter of:

Docket HWCA 2002-0057

RHO-CHEM CORPORATION  
435 Isis Avenue  
Inglewood, California 90301

STIPULATION AND ORDER

EPA ID No.: CAD 008 364 432

Health and Safety Code  
Section 25187

Respondent.

The State Department of Toxic Substances Control  
(Department) and Rho-Chem Corporation (Respondent) enter into  
this Stipulation and Order (Order) and agree as follows:

1. A dispute exists regarding the Enforcement Order  
issued by the Department on January 17, 2003. (Attached as  
Exhibit 1).

2. The parties wish to avoid the expense of further  
litigation and to ensure prompt action to achieve the Schedule  
for Compliance below.

3. Jurisdiction exists pursuant to Health and Safety  
Code section 25187.

4. Respondent waives any right to a hearing in this  
matter.

5. This Order shall constitute full settlement of the  
violations alleged in the Enforcement Order, but does not limit

1 the Department from taking appropriate enforcement action  
2 concerning other violations.

3 6. Respondent admits the violations alleged in the  
4 Enforcement Order.

5  
6 SCHEDULE FOR COMPLIANCE

7 7. Respondent shall comply with the following:

8 7.1. Respondent has corrected the violations cited in  
9 the Enforcement Order. Respondent shall operate hereafter in a  
10 manner that shall prevent recurrences of the violations cited  
11 therein.  
12

13 7.2. Submittals: All submittals from Respondent  
14 pursuant to this Order shall be sent to:

15  
16 Mr. Roberto Kou, Unit Chief  
17 Department of Toxic Substances Control  
18 Statewide Compliance Division  
19 1011 North Grandview Avenue  
20 Glendale, California 91201

21 7.3. Communications: All approvals and decisions of  
22 the Department made regarding such submittals and notifications  
23 shall be communicated to Respondent in writing by a Branch Chief,  
24 Department of Toxic Substances Control, or his/her designee. No  
25 informal advice, guidance, suggestions, or comments by the  
26 Department regarding reports, plans, specifications, schedules,  
27 or any other writings by Respondent shall be construed to relieve  
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1 Respondent of its obligation to obtain such formal approvals as  
2 may be required.

3           7.4. Department Review and Approval: If the  
4 Department determines that any report, plan, schedule, or other  
5 document submitted for approval pursuant to this Order fails to  
6 comply with the Order or fails to protect public health or safety  
7 or the environment, the Department may:

8           a. Modify the document as deemed necessary and approve  
9 the document as modified; or

10           b. Return the document to Respondent with recommended  
11 changes and a date by which Respondent must submit to the  
12 Department a revised document incorporating the recommended  
13 changes.  
14

15           7.5. Compliance with Applicable Laws: Respondent  
16 shall carry out this Order in compliance with all local, State,  
17 and federal requirements, including but not limited to  
18 requirements to obtain permits and to assure worker safety.

19           7.6. Endangerment during Implementation: In the event  
20 that the Department determines that any circumstances or activity  
21 (whether or not pursued in compliance with this Order) are  
22 creating an imminent or substantial endangerment to the health or  
23 welfare of people on the site or in the surrounding area or to  
24 the environment, the Department may order Respondent to stop  
25 further implementation for such period of time as needed to abate  
26 the endangerment. Any deadline in this Order directly affected  
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1 by a Stop Work Order under this section shall be extended for the  
2 term of such Stop Work Order.

3           7.7. Liability: Nothing in this Order shall  
4 constitute or be construed as a satisfaction or release from  
5 liability for any conditions or claims arising as a result of  
6 past, current, or future operations of Respondent, except as  
7 provided in this Order. Notwithstanding compliance with the  
8 terms of this Order, Respondent may be required to take further  
9 actions as are necessary to protect public health or welfare or  
10 the environment.

11           7.8. Site Access: Access to the Site shall be  
12 provided at all reasonable times to employees, contractors, and  
13 consultants of the Department, and any agency having  
14 jurisdiction. Nothing in this Order is intended to limit in any  
15 way the right of entry or inspection that any agency may  
16 otherwise have by operation of any law. The Department and its  
17 authorized representatives may enter and move freely about all  
18 property at the Site at all reasonable times for purposes  
19 including but not limited to: inspecting records, operating logs,  
20 and contracts relating to the Site; reviewing the progress of  
21 Respondent in carrying out the terms of this Order; and  
22 conducting such tests as the Department may deem necessary.  
23 Respondent shall permit such persons to inspect and copy all  
24 records, documents, and other writings, including all sampling  
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1 and monitoring data, in any way pertaining to work undertaken  
2 pursuant to this Order.

3           7.9. Sampling, Data, and Document Availability:

4 Respondent shall permit the Department and its authorized  
5 representatives to inspect and copy all sampling, testing,  
6 monitoring, and other data generated by Respondent or on  
7 Respondent's behalf in any way pertaining to work undertaken  
8 pursuant to this Order. Respondent shall allow the Department  
9 and its authorized representatives to take duplicates of any  
10 samples collected by Respondent pursuant to this Order.

11 Respondent shall maintain a central depository of the data,  
12 reports, and other documents prepared pursuant to this Order.

13 All such data, reports, and other documents shall be preserved by  
14 Respondent for a minimum of six years after the conclusion of all  
15 activities under this Order. If the Department requests that  
16 some or all of these documents be preserved for a longer period  
17 of time, Respondent shall either comply with that request,  
18 deliver the documents to the Department, or permit the Department  
19 to copy the documents prior to destruction. Respondent shall  
20 notify the Department in writing at least six months prior to  
21 destroying any documents prepared pursuant to this Order.

22           7.10. Government Liabilities: The State of California  
23 shall not be liable for injuries or damages to persons or  
24 property resulting from acts or omissions by Respondent or  
25 related parties specified in paragraph 9.3 in carrying out  
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1 activities pursuant to this Order, nor shall the State of California  
2 be held as a party to any contract entered into by Respondent or its  
3 agents in carrying out activities pursuant to this Order.

4 7.11. Incorporation of Plans and Reports: All plans,  
5 schedules, and reports that require Department approval and are  
6 submitted by Respondent pursuant to this Order are incorporated  
7 in this Order upon approval by the Department.

8 7.12. Extension Requests: If Respondent is unable to  
9 perform any activity or submit any document within the time required  
10 under this Order, the Respondent may, prior to  
11 expiration of the time, request an extension of time in writing. The  
12 extension request shall include a justification for the  
13 delay.

14 7.13. Extension Approvals: If the Department  
15 determines that good cause exists for an extension, it will grant the  
16 request and specify in writing a new compliance schedule.

#### 18 PAYMENTS

19 8.1. Respondent hereby agrees to send Bret Kyle to the  
20 California Compliance School, Modules I-IV. Attendance must be  
21 completed and Respondent must submit a Certificate of Satisfactory  
22 Completion issued by the California Compliance School to the  
23 Department of Toxic Substances Control within 185 days of the date of  
24 this Order. In recognition of this educational investment, the  
25 penalty imposed by this order has been reduced by \$5,000.00 if the  
26 employee satisfactorily completes the specified school and the  
27 Department receives the Certificate of Satisfactory Completion within

1 185 days of the effective date of this Order.

2 If Respondent fails to submit the certificate as required, the penalty  
3 of \$5,000.00 is due and payable within 30 days after the 185 day  
4 period expires. The 185-day period may be extended by a Department  
5 Branch Chief upon a written request demonstrating good cause from  
6 Respondent.

7 8.2. Respondent shall pay the Department a total of  
8 \$27,000.00 in penalties. The penalties shall be paid in two (2) equal  
9 installments of \$13,500.00 each, due and payable on September 1, 2003  
10 and March 1, 2004, respectively. If Respondent fails to make any  
11 payment timely as provided above, Respondent agrees to pay interest  
12 thereon at the rate established pursuant to Health and Safety Code  
13 section 25360.1. Respondent further agrees to pay all costs and  
14 attorney's fees incurred by the Department in pursuing the collection  
15 of any sums the payment of which becomes delinquent thereunder.  
16 Respondent's check shall be made payable to Department of Toxic  
17 Substances Control, and shall be delivered together with the attached  
18 Payment Voucher to:

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21 Department of Toxic Substances Control  
22 Accounting Office  
23 1001 I Street  
24 P. O. Box 806  
25 Sacramento, California 95812-0806  
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A photocopy of the check shall be sent to:

Mr. Roberto Kou, Unit Chief  
Statewide Compliance Division  
Department of Toxic Substances Control  
1011 North Grandview Avenue  
Glendale, California 91201

OTHER PROVISIONS

9.1. Additional Enforcement Actions: By agreeing to this Order, the Department does not waive the right to take further enforcement actions, except to the extent provided in this Order.

9.2. Penalties for Noncompliance: Failure to comply with the terms of this Order may subject Respondent to civil penalties and/or punitive damages for any costs incurred by the Department or other government agencies as a result of such failure, as provided by Health and Safety Code section 25188 and other applicable provisions of law.

9.3 Parties Bound: This Order shall apply to and be binding upon Respondent and its officers, directors, agents, receivers, trustees, employees, contractors, consultants, successors, and assignees, including but not limited to individuals, partners, and subsidiary and parent corporations, and upon the Department and any successor agency that may have responsibility for and jurisdiction over the subject matter of this Order.



1           9.4. Effective Date: The effective date of this Order  
2 is the date it is signed by the Department.

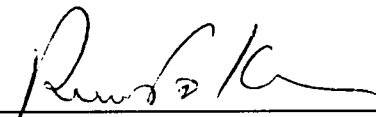
3           9.5. Integration: This agreement constitutes the  
4 entire agreement between the parties and may not be amended,  
5 supplemented, or modified, except as provided in this agreement.  
6

7  
8 Dated: 2-27-03

  
\_\_\_\_\_  
Signature of Respondent's  
Representative

10  
11  
12 HECTOR U. SANCHEZ FACILITY MANAGER  
13 Typed or Printed Name and Title of  
14 Respondent's Representative

15  
16 Dated: March 6, 2003

  
\_\_\_\_\_  
Roberto Kou, Unit Chief  
Department of Toxic Substances  
Control